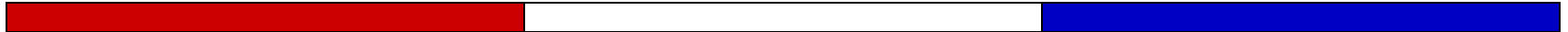




Reimbursement Issues



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Inpatient Billing



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- The inpatient billing guidance was finalized in August 2006
 - The calculator tool was updated for 2007 rates and will be loaded on the Uniform Business Office website soon
 - Facilities have until August 2007 to get this incorporated into their agreements



Outpatient Billing



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- The HEC Financial Management Working Group is revising the outpatient guidance to clarify several areas the former guidance didn't address
 - Emergency Room
 - Observation Care
 - Ancillary
 - Basic CMAC less 10% methodology remains the same



Full or Incremental?



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- Fundamental question that keeps coming up
 - VA Handbook 1660.4 has statement that could be interpreted as direction to bill at a full rate rather than incremental
 - VA General Counsel: rates must be in accordance with schedules promulgated by the Secretaries
 - Meaning: CMAC less 10% is the rate structure agreed to by Departments and must be used



Add Discount or Not?



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- DoD and VA have different guidance as to who calculates the 10% discount...either at the time the bill is generated or at the time the bill is processed for payment.
 - Inpatient calculator tool has 10% calculated automatically.
 - When VA bills the TRICARE network, they bill the full amount and the Fiscal Intermediary takes the discount
 - DoD bills with the discount already added in



CMAC Rates in TPOCS



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- DoD's Third Party Outpatient Collection System has CMAC rates that are different than the website rates.
 - Some DoD facilities are using the wrong table
 - New guidance will specifically state which table to use and give DoD better guidance as to processing



How to Bill Pharmacy?



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- There are no CMAC rates for pharmacy costs
 - DoD pharmacy costs in CHCS are not updated frequently enough to use; also trying to determine VA's method
 - Perhaps publish a list by drug code with prices equal to lowest cost for generic?
 - Discussing a universal \$8 dispensing fee



Outpatient Prospective Payment

- TRICARE is going to start using outpatient prospective payment rate starting in June.
- It was determined that the VA and a few other entities will be exempt from OPP, so no need to change our methodology



Waiver Process



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- Looking for improvements to the waiver process
 - What should the process be if local parties do not agree?
 - No answers yet....just starting to discuss



CMAC 1 verses CMAC 2



- When original MOU was signed in 2003, there were no facility and non-facility based rates, just one CMAC rate, compared to now:

	2007 CMAC 1 Facility- Based	2007 CMAC 2 Non- facility	CMAC 2004	CMAC 2003
CPT = 99201	\$24.04	\$41.12	\$40.10	\$39.64



CMAC 1 verses CMAC 2



- Facility-based rates assumes that the facility will bill a separate technical fee
- Non-facility assumes that no technical fee will be billed, and therefore covers office practice expenses (supplies, etc.)
- If facility-based is used, could we develop a standard technical fee?
- Sense of the work group is to use non-facility.



Questions or Comments



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